

HOUSE BILL NO. 413

INTRODUCED BY K. PETERSON

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR ENERGY CONSERVATION LOANS FOR PUBLIC SCHOOL DISTRICT FACILITIES; AUTHORIZING PUBLIC SCHOOL DISTRICTS TO PARTICIPATE IN THE STATE ENERGY CONSERVATION PROGRAM; AUTHORIZING THE BOARD OF INVESTMENTS TO INVEST UP TO \$50 MILLION OF THE COAL SEVERANCE TAX PERMANENT FUND IN LOANS TO SCHOOL DISTRICTS FOR ENERGY CONSERVATION PROJECTS; AMENDING SECTIONS 17-6-305, 90-4-602, AND 90-4-605, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. School district energy conservation program loans. A school district may participate in the energy conservation program provided in Title 90, chapter 4, part 6, and may seek a loan from the board of investments as provided in 17-6-305(1)(b). A school district may REPAY ANY LOAN GRANTED BY THE BOARD OF INVESTMENTS UNDER THIS SECTION BY pledge PLEDGING up to 50% of the anticipated energy cost savings from an energy conservation project to the repayment of the loan. IF THE BOARD OF INVESTMENTS GRANTS THE LOAN, THE BOARD SHALL ESTABLISH A TERM AND REPAYMENT SCHEDULE AMORTIZED UPON SUCH PLEDGE AND SHALL CHARGE A VARIABLE RATE OF INTEREST, ADJUSTED ANNUALLY, EQUIVALENT TO 1.5% SUBTRACTED FROM THE OVERALL INTERCAP LOAN RATE IN THE YEAR IN WHICH THE LOAN IS GRANTED.

Section 2. Section 17-6-305, MCA, is amended to read:

"17-6-305. Investment of coal tax trust fund in Montana economy -- report by board. (1) (a) Subject to the provisions of 17-6-201(1) and subsection (1)(b) of this section, the board shall endeavor to invest 25% of the permanent coal tax trust fund established in 17-6-203(6) in the Montana economy, with special emphasis on investments in new or expanding locally owned enterprises. Investments made pursuant to this section do not include investments made pursuant to 17-6-309(2). For purposes of calculating the 25% of the permanent coal tax trust fund, the board shall include all funds listed in 17-5-703(1). The portion of the permanent coal tax trust fund contained in portfolios formerly administered by the Montana board of science and technology development is included in the 25% of the trust fund allocated to the board for in-state investment under this section. This subsection does not prohibit the board from investing more than 25% of the